

Message Text

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PAGE 01 BEIRUT 04400 021041Z
ACTION NEA-10

INFO OCT-01 ISO-00 EB-08 /019 W
-----044395 030623Z /20
R 020730Z AUG 78
FM AMEMBASSY BEIRUT
TO USDOC WASHDC
INFO SECSTATE WASHDC 9027

UNCLAS BEIRUT 4400

E.O. 11652: N/A
TAGS : BBSR, LE
SUBJECT: WTDR/FTI: TRANS MEDITERRANEAN AIRWAYS, S.A.L.

REF: USDOC OM OF JUNE 2, 1978.

1. LEBANON

OFFICE USE: 2. 504 3. 0042400 4. 01

5. TRANS MEDITERRANEAN AIRWAYS, S.A.L.

6. P.O. BOX 11-3018, BEIRUT INTERNATIONAL AIRPORT.

7. BEIRUT

8. CONTACT: MUNIR ABU-HAIDAR.

9. TITLE: CBD AND PRESIDENT.

10. PHONE: 277510/277514 11. TELEX: 20637 LE

12. CABLE: TRAMEDAIR, BEIRUT

13. ESTBL: 1959 14. EMPL. 2038 15. SIZE: LARGE

16. REPUTATION: Y-GOOD 17. REPT. DATE 07/78

OFFICE USE: 18. NA 19. NA 20. X 21. NA 22. NA

23A. 37213/5F IMP. OF COMPLETE AIRCRAFT, COMMERCIAL TRANSPORT
TYPE

23B. 37280/5F IMP. OF AIRCRAFT PARTS AND ACCESSORIES.

23C. 45110/9 AIR CARGO CARRIERS, CERTIFICATED.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BEIRUT 04400 021041Z

24. FOREIGN SALES: INTERNATIONAL.

25. FINANCIAL REF: FIRST CHICAGO INTERNATIONAL BANKING CORP.,
NEW YORK, N.Y.

26. TRADE REFS: ARABIAN AMERICAN OIL CO. (ARAMCO), P.O. BOX
11-3504, BEIRUT; BOEING CO., SEATTLE, WASHINGTON.

27. FOREIGN FIRMS REPRESENTED: NONE.

28. POST EVALUATION: THIS IS LEBANON'S LEADING INTERNATIONAL AIR-FREIGHT TRANSPORT COMPANY. ESTABLISHED AS THE TRANS MEDITERRANEAN

AIRWAYS CO. IN 1953 UNDER SOLE OWNERSHIP OF MUNIR ABU-HAIDAR, TMA OPERATED AS A SUPPLEMENTAL CHARTER CARRIER UNTIL 1960, WHEN IT WAS REORGANIZED AS A JOINT-STOCK COMPANY WITH A FULLY PAID IN CAPITAL OF 6,000,000 LEBANESE POUNDS (U.S. DOLLAR EQUALS LL 2.90). IT RECEIVED CERTIFICATION FROM THE LEBANESE GOVERNMENT, AND BEGAN OPERATIONS UNDER ITS PRESENT NAME AS AN ALL-CARGO SCHEDULED AIRLINE.

TMA'S BOARD OF DIRECTORS COMPRISES MUNIR ABU-HAIDAR, CHAIRMAN, DR. NAJIB ABU-HAIDAR AND MRS. SUSAN ABU-HAIDAR, MEMBERS. ITS SENIOR EXECUTIVES ARE/ MR. MUNIR ABU-HAIDAR (LEBANESE), PRESIDENT AND CHAIRMAN, MR. FOUAD D. RIZK (LEBANESE), S.V. PRESIDENT SPECIAL SERVICES, MR. GHAZI H. KRAYTEM (LEBANESE), S.V. PRESIDENT COMMERCIAL AND SERVICES, MR. WADIH N. ISSA (LEBANESE) VICE PRESIDENT ACCOUNTS, CAPT. SHELTON J. ANTHONY (AMERICAN), VICE PRESIDENT FLIGHT OPERATIONS, MR. SHAWKI K. KHOURY (LEBANESE), VICE PRESIDENT FINANCIAL CONTROLS, MR. GEORGE M. HADDAD (LEBANESE), VICE PRESIDENT MAINTENANCE, MR. MASSIS N. ALEXANDRIAN (LEBANESE), VICE PRESIDENT FINANCE, BRIG. MOUSSA G. KANAAN (LEBANESE), VICE PRESIDENT ASST. TO PRESIDENT, MR. CHARLES D. SCHAFFNER
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BEIRUT 04400 021041Z

(AMERICAN), ADVISOR TO PRESIDENT AND CHAIRMAN, MR. ELIE N. GHAOUI (LEBANESE), VICE PRESIDENT SALES, MR. GHASSAN S. MONEM (LEBANESE), VICE PRESIDENT MARKETING, MR. MOUFID E. BARAKAT (LEBANESE), VICE PRESIDENT GROUND SERVICES, MR. SAMI B. SAADEH (LEBANESE), VICE PRESIDENT PERSONNEL AFFAIRS. MR. MUNIR ABU-HAIDAR, FOUNDER, CHAIRMAN AND PRESIDENT OF THE FIRM IS A PRUDENT, EXPERIENCED AND RELIABLE BUSINESSMAN.

FIRM'S ACTIVE FLEET CONSISTS OF 11 BOEING AIRCRAFT: TWO B-707/321C, THREE B-707/323C, AND SIX B-707/327C. A TWELFTH B-707, ACQUIRED IN MAY, 1978, IS NOT YET IN SERVICE. FOUR OF THE 707/327C ARE NOW ON LEASE FROM A LEASING ENTITY UNTIL 1980, AT WHICH TIME TMA HAS OPTION TO PURCHASE AIRCRAFT OUTRIGHT FOR \$5.5 MILLION (\$1.375 MILLION APIECE). TWO BOEING 747/123F, WHICH TMA ACQUIRED USED FROM AMERICAN AIRLINES IN SEPTEMBER 1975 AND APRIL 1976, WERE RESOLD IN 1977: ONE TO AMERICAN AIRLINES AND THE SECOND TO PAN AM. DESPITE DISLOCATIONS OCCASIONED BY THE LEBANESE CIVIL DISTURBANCES OF 1975-76, WHICH CLOSED BEIRUT INTERNATIONAL AIRPORT FROM JUNE THROUGH NOVEMBER 1976, AND HEAVY EXTRAORDINARY OPERATING EXPENSES (18 MILLION LEBANESE POUNDS) RELATED TO THE TEMPORARY SHIFTING OF TMA'S OPERATING AND ADMINISTRATIVE CENTERS FROM BEIRUT TO LONDON, DUBAI, NICOSIA, AND AMSTERDAM, TMA NEVER-

THELESS REALIZED A NET PROFIT OF LL 766 THOUSAND IN 1976. IN 1977, TMA REGISTERED A NET PROFIT OF LL 34.7 MILLION. FOLLOWING IS A SUMMARY DERIVED FROM TMA FINANCIAL STATEMENTS OF INCOME, EXPENSE, AND PROFITABILITY FOR 1976 AND 1977, IN MILLIONS OF LEBANESE POUNDS:

	1977	1976
OPERATING REVENUES	384.034	336.513
OPERATING EXPENSES	360.474	312.360
GROSS INCOME FROM OPERATIONS	23.560	24.152
NET INCOME FROM OPERATIONS	22.943	5.119
NET CORPORATE INCOME	34.729	.766

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 BEIRUT 04400 021041Z

TMA REVENUE GROWTH 1973-77: OPERATING REVENUE INCREASED ON A YEAR-TO-YEAR BASIS 16.1 PERCENT (1976-77), 42.3 PERCENT (1975-76), 17.8 PERCENT (1974-75), AND 10.4 PERCENT (1973-74). NET WORKING CAPITAL INCREASED FROM LL 17.684 MILLION AT YEAR-END 1976 TO LL 64.332 MILLION AT YEAR-END 1977. OTHER KEY DATA WERE:

	1975	1976	1977
CAPACITY TON-MILES (000'S)	497,996	592,784	555,406
REVENUE TON-MILES (000'S)	272,576	334,524	320,983
LOAD FACTOR (PERCENT)	55	56	58
TOTAL FREIGHT (TONS)	84,384	91,672	99,762
TOTAL STATUTE MILES FLOWN (000'S)	13,438	14,361	15,154

TMA'S PRESENT ROUTE NETWORK COVERS EUROPE, THE MIDDLE EAST, ASIA AND THE UNITED STATES. TMA'S 3 WEEKLY EASTBOUND RTW SCHEDULED SERVICES VIA TOKYO-ANCHORAGE-NEW YORK WERE SUSPENDED IN LATE 1977 IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANY'S REVISED SECTION 402 OPERATING PERMIT AND ROUTE ANNEX. REPRESENTATIVE DEPLOYMENT OF TMA'S FLEET IN LATE 1977 WAS AS FOLLOWS:

BEIRUT-BASEL-AMSTERDAM-NEW YORK, 4 ROUND TRIPS WEEKLY.
 BEIRUT-BOMBAY-BANGKOK-MANILA-OSAKA-TOKYO, 1 ROUNDTrip WEEKLY.
 BEIRUT-BOMBAY-KUALA LUMPUR-SINGAPORE-TAIPEI, 2 ROUNDTrips WEEKLY.
 BEIRUT-LONDON, 4 ROUNDTrips WEEKLY.
 BEIRUT-BOMBAY, 1 ROUNDTrip WEEKLY.
 BEIRUT-BASEL-AMSTERDAM-COPENHAGEN-ANCHORAGE-TOKYO-TAIPEI-BANGKOK-BEIRUT, 1 WESTBOUND RTW WEEKLY.

FUTURE ROUTE PLANNING AND PROSPECTS: TO COMPENSATE FOR LOST EAST-BOUND RTW TRAFFIC RIGHTS AND CAPACITY RESTRAINTS ON BEIRUT-WESTERN EUROPE-NEW YORK TURNAROUND SERVICES, TMA PLANS TO EXPAND SCHEDULED CAPACITY OVER EUROPE-GULF-MIDDLE EAST AND MIDDLE EAST-UNCLASSIFIED

UNCLASSIFIED

PAGE 05 BEIRUT 04400 021041Z

S.E. ASIA-FAR EAST DURING 1978. BEYOND 1978, TMA WILL EXPLORE ROUTE TO KENYA, SRI LANKA AND AUSTRALIA, AND RENEWED SERVICE TO TEHRAN. TMA TARGETS CALL FOR 20 PERCENT GROWTH IN REVENUE TON-MILES FLOWN IN 1978.

IN ADDITION TO ITS HEAD OFFICES IN BEIRUT, TMA MAINTAINS 58 OFFICES AND TERMINAL FACILITIES IN A GLOBAL NETWORK. TMA COMPETES VIGOROUSLY WITH U.S. ALL-CARGO CARRIERS FLYING TIGERS AND SEABOARD WORLD AIRWAYS, AND WITH FREIGHT OPERATIONS OF MAJOR INTERNATIONAL PASSENGER CARRIERS WORLDWIDE. TMA HAS BEEN CONSISTENTLY PROFITABLE IN THE 1970'S. LOCAL BANKING AND BUSINESS SOURCES REPORT THAT TMA IS IN A SOUND POSITION, MEETS ITS OBLIGATIONS PROMPTLY, AND ENJOYS A GOOD BUSINESS AND FINANCIAL REPUTATION. FIRM IS HIGHLY RECOMMENDED AS A TRADE CONTACT FOR U.S. FIRMS.

29. PREP: MOHAMMED O. SUKKAR APPR: TAIN P. TOMPKINS
PARKER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
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Draft Date: 02 aug 1978
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
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Disposition Reason:
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Executive Order: N/A
Errors: N/A
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From: BEIRUT
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SAS ID: 1553390
Secure: OPEN
Status: NATIVE
Subject: WTD/FTI: TRANS MEDITERRANEAN AIRWAYS, S.A.L.
TAGS: BBSR, LE
To: COM
Type: TE
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